There is widespread recognition that healthcare organizations must focus on providing quality care and improving patient safety while at the same time addressing financial challenges through cost effectiveness. In addition to looking to government healthcare reform to address financial difficulties, healthcare executives and clinicians also have an ethical responsibility to examine their own roles and responsibilities in addressing these challenges.

The construct of the accountable care organization (ACO) has emerged in response to the need to improve patient care quality while simultaneously capturing and distributing the cost savings achieved as healthcare organizations become more efficient—often referred to as bending the value curve in healthcare. In a January/February 2007 Health Affairs article, Elliott Fisher and colleagues wrote: “The underlying goal of these efforts is to improve the quality and lower the costs of care by fostering greater accountability on the part of providers for their performance.”

During a recent presentation we gave to a group of administrative and clinician leaders highlighting one component of ACOs—addressing unwarranted variations in healthcare practices—an important issue was raised. When discussing various approaches to identifying and modifying the use of certain diagnostic procedures linked to unwarranted variations, it was noted that decreasing unnecessary medical procedures may decrease revenue; therefore, decreasing unwarranted variation could actually increase financial losses for the organization.

As the discussion unfolded, a department chair rose and spoke. He indicated that although it might be true that there will be a negative financial fall-out from decreasing the number of unnecessary procedures, “it was the right thing to do.” He went on to emphasize: “Don’t we have a moral responsibility to provide only clearly beneficial tests and care, and doesn’t that trump everything else?”

The department chair’s comment, echoed by others, illuminates the need for a science-based delivery of healthcare through an ACO approach that is grounded on an ethical foundation. Three fundamental ethics concepts underpin the moral imperative for healthcare organizations to deliver cost-effective, high-quality and safe healthcare: promoting patients’ best interests through effective and safe treatment, respecting patients’ values through shared decision making, and ensuring justice through stewardship of healthcare resources.

**Effective and Safe Treatment**

The ethical principles of beneficence and nonmaleficence require healthcare organizations to promote the patient’s best interest while decreasing potential harms or risks. This drives the need for the delivery of evidence-based healthcare. Clinicians should be offering and providing treatment and diagnostic...
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By designing a system to improve temperature and humidity control, Tallahassee Day Surgery recorded a 30 percent improvement in surgery suite usage.
procedures that have been scientifically assessed as effective and beneficial. Despite considerable available information regarding effective care, however, many healthcare organizations fail to deliver and monitor the use of effective care, potentially undermining actions to promote patients’ best interests. ACOs foster the moral requirement of pursuing patients’ best interests by ensuring that scientifically documented effective care (flu shots, aspirin at admission for acute myocardial infarction, etc.) is delivered 100 percent of the time.

Adherence to the principles of beneficence and nonmaleficence necessitates the need to systematically identify untested interventions and assess medical errors and propagate quality improvement approaches to avoid harming patients. In addition to monitoring care to ensure only effective care is provided, ACOs assess the care delivery system to ensure best-practice care is efficiently delivered in a timely and consistent manner to patients who are hospitalized or receiving care in outpatient settings.

**Shared Decision Making**

Respect for autonomy is directly linked to attaining the patient’s best interest. Because only a patient will know specifically what is in his or her best interest, clinicians should promote patient self-determination by adequately taking into account patient preferences.

When offering preference-sensitive care, the provider needs to offer truthful, objective information regarding diagnostic procedures and treatment protocols. Because some treatments have significant trade-offs, patients must fully appreciate and understand the risks and benefits of their options prior to making decisions about their care. The best vehicle for promoting patient autonomy, within the context of the patient-provider relationship, is through a shared decision-making process.

Unfortunately, current patient-provider communications often fail to adequately inform patients of certain treatment options when the value is less clear, such as new, invasive and elective treatments. Research suggests modern healthcare systems sometimes take end-of-life treatment decisions out of the hands of patients and families, providing extraordinarily expensive, high-tech medicine that overrides patient preferences without adding value. ACOs foster respect for patient self-determination with a consistent, system-oriented approach, using decision aids that maximize the sharing of information about treatment options to support the communication between patients and providers.

**Stewardship of Healthcare Resources**

Cost effectiveness is an ethical issue requiring healthcare organizations to use resources in a fair and just manner. When a patient fails to benefit after we spend healthcare
dollars on ineffective care, we foster both economic and ethical failings.

In a September/October 2009 *Health Affairs* article, Norman Daniels and colleagues argue that providing care with little benefit per unit cost negates social justice by reducing resources that could be used to purchase beneficial care elsewhere. ACOs seek to decrease ineffective, unnecessary or unwanted care through performance monitoring, enabling healthcare resources to be available for more beneficial use elsewhere, such as expanded access to evidenced-based primary and preventive care.

As Daniels and colleagues point out, stewardship of resources is about setting priorities in a way that promotes value for money and is fair to all. Because social justice requires efficiency in the delivery of effective care, distributive justice requires an appropriate process to allocate resources—one that is fair, just and transparent.

Healthcare executives need to see their organizations as moral agents where services are manifest within an ethical framework with three overlapping and interconnected concepts: promoting the patient’s best interest, respecting the patient’s values and fostering justice. When addressing organizational financial challenges and questions of quality and safety, healthcare leadership should view the transformation into an ACO—and thus providing quality, safe and financially secure healthcare—as fulfillment of an ethical responsibility.

In the March/April issue of *Healthcare Executive*, Peter Fine, FACHE, president and CEO of Banner Health in Phoenix, described this transformation as: “moving the organizational mind-set from being a healthcare delivery company to a clinical quality company.” As that happens customers will take note. Patients and families will recognize that ACOs provide the right care, at the right time, all the time. These ethical organizations will become the trusted source for healthcare throughout their respective regions and the national models for healthcare reform.

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